

E-Commerce

AUGUST 1999

Shopping online. It's quick. It's easy. It's available 24 hours a day, seven days a week. And it can be just as safe as shopping in a store or by mail—IF you're just as cautious. Here are some safety tips.

Investigate

- Don't do business with companies you don't know. Investigate the company before you order (ask for and check references, double check the company's telephone number with directory assistance, call the number, and have a store catalog or brochure mailed to you).
- Be sure you know where the company is physically located. Anyone, in any part of the world, can set up "shop" online, and resolving problems with businesses in other countries—or even other states—can be complicated.
- Don't be duped by a nice-looking website. That's what scammers count on.
- Don't give out your bank account number, credit card number, social security number, or other personal information unless you know the company is legitimate. Con artists can use your financial information to make unauthorized charges, deduct money from your account, and even impersonate you to get credit in your name.
- Check the business' reputation with the consumer protection agency, [Better Business Bureau](#), or attorney general's office in the company's home state. Or check with the National Fraud Information Center at www.fraud.org or (800) 876-7060. But keep in mind that fraudulent companies come and go quickly, especially in cyberspace, so lack of a complaint record is no guarantee that a company is legitimate.
- Be wary of high pressure sales tactics.
- Be aware that private individuals sell items over the Internet, and your legal rights against an individual seller may not be the same as with a business.

Before You Order

- Be clear on the price of the item, plus shipping and handling charges.
- Find out the company's refund and return policies.
- Find out if the merchandise is guaranteed and the terms of the guarantee.
- Find out how long it will take the business to deliver your order. (Federal law requires goods or services to be delivered within 30 days, unless a specific delivery period is stated.)

When You Order

- If the business is one you haven't dealt with before, don't start out with a big order. Instead, first place a small, inexpensive order to find out how it is handled.
- Pay by credit or charge card. Then your transaction may be protected by the Fair Credit Billing Act. Under this law, consumers have the right to dispute charges under certain circumstances and to temporarily withhold payment while the creditor is investigating them. In the case of unauthorized use of a consumer's credit or charge card, consumers are generally held liable only for the first \$50 in charges. Some cards may provide additional warranty or purchase protection benefits. (*Caution: Unless you are purchasing through a secured site, it may be safer to provide your payment information by telephone or mail, rather than online. See **Internet Privacy**, next page.*)
- Be sure to print a copy of your purchase order and confirmation number for your records.

Internet Privacy

- Use a secure browser. This is the software you use to navigate the Internet. Your browser should comply with industry security standards, such as Secure Sockets Layer (SSL) or SET Secure Electronic Transaction. These standards “encrypt” or scramble the purchase information you send over the Internet, ensuring the security of your transaction. Most computers come with a browser already installed. You also can download some browsers for free over the Internet.
- Don’t use a telephone number, birthdate, or a portion of your social security number as your password. Instead, use a random combination of numbers, letters, and symbols. Don’t keep your password written down where it’s easy for others to find, and never give it to *anyone*.

Don’t disclose personal information—such as your address, telephone number, or email address—until you check the company’s privacy policy to find out **what it does with the information it collects**. (If the policy isn’t posted on the company’s website, call or email and ask.) If the information is shared with other companies, find out if you can decline having your personal information shared. If you’re still unsure, consider whether you want to use this company or another that will protect your personal information. And, if you have children, teach them to check with *you* before giving out personal or family information online.